

ASSEMBLY, No. 4571

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED AUGUST 25, 2020

Sponsored by:

Assemblyman RONALD S. DANCER

District 12 (Burlington, Middlesex, Monmouth and Ocean)

Assemblyman ROBERT D. CLIFTON

District 12 (Burlington, Middlesex, Monmouth and Ocean)

SYNOPSIS

Directs DCA to establish grant program for suburban and rural small businesses to respond to COVID-19 pandemic; appropriates \$6 million.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 8/27/2020)

1 AN ACT directing DCA to establish grant program for suburban and
2 rural small businesses to respond to COVID-19 pandemic and
3 making an appropriation.
4

5 **BE IT ENACTED** *by the Senate and General Assembly of the State*
6 *of New Jersey:*
7

8 1. a. The “Suburban and Rural Small Business Lease -
9 Emergency Assistance Grant Program” is hereby established in the
10 Department of Community Affairs to assist eligible suburban and
11 rural small businesses with rent payments during the COVID-19
12 pandemic.

13 b. To the greatest extent possible, the department shall model
14 this program after the “Small Business Lease - Emergency
15 Assistance Grant Program,” administered by the New Jersey
16 Redevelopment Authority.

17 c. Small businesses that were eligible to apply under the “Small
18 Business Lease - Emergency Assistance Grant Program” shall not
19 be eligible under the “Suburban and Rural Small Business Lease -
20 Emergency Assistance Grant Program.” All small businesses
21 located in the remaining municipalities in the State, unless
22 otherwise determined by the department, shall be eligible to apply
23 for the “Suburban and Rural Small Business Lease - Emergency
24 Assistance Grant Program.”

25 d. To be eligible for a grant under the program, a small business
26 shall:

27 (1) occupy a leased premises less than 5,000 square feet of
28 leasable space. Multiple locations leased by the same business shall
29 be aggregated;

30 (2) lease commercial space in a mixed-use or commercial
31 building, or occupy a storefront business;

32 (3) be in operation prior to March 1, 2020; and

33 (4) be in accordance with other requirements promulgated by
34 the department.

35 e. To effectuate the provisions of this section, the department
36 shall:

37 (1) accept applications for program assistance from suburban
38 and rural small businesses no later than 30 days after the effective
39 date of P.L. , c. (C.) (pending before the Legislature as this
40 bill); and

41 (2) disburse assistance on a first come, first served basis, not to
42 exceed \$10,000 per grant, to eligible suburban and rural small
43 businesses no later than 60 days after the effective date of
44 P.L. , c. (C.) (pending before the Legislature as this bill).
45

46 2. There is appropriated from the General Fund to the
47 Department of Community Affairs the sum of \$6,000,000 from a
48 portion of those federal funds allocated to the State pursuant to the

1 federal “Coronavirus Aid, Relief, and Economic Security Act,”
2 Pub.L.116-136, for use by the department to provide support for
3 suburban and rural small businesses suffering from adverse
4 financial impacts related to the COVID-19 pandemic.

5
6 3. This act shall take effect immediately and shall expire 180
7 days after enactment.

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10 STATEMENT

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12 The bill directs the Department of Community Affairs (DCA) to
13 establish a temporary “Suburban and Rural Small Business Lease -
14 Emergency Assistance Grant Program” to assist eligible suburban
15 and rural small businesses with rent payments during the COVID-
16 19 pandemic. The bill appropriates \$6 million from the State’s
17 share of the federal Coronavirus Aid, Relief, and Economic
18 Security (CARES) Act funding to finance the program.

19 To the greatest extent possible, the DCA would model this
20 program after the “Small Business Lease - Emergency Assistance
21 Grant Program,” administered by the New Jersey Redevelopment
22 Authority (NJRA). Several requirements for the “Suburban and
23 Rural Small Business Lease - Emergency Assistance Grant
24 Program,” to be established by the bill, are requirements modeled
25 off the existing program administered by the NJRA.

26 On July 23, 2020, Governor Murphy announced \$6 million in
27 CARES Act funding to be allocated to the “Small Business Lease -
28 Emergency Assistance Grant Program” to assist small businesses
29 with rent payments to property owners during the COVID-19
30 pandemic. However, only small businesses located in 64 urban
31 municipalities were eligible for grants under that program. This bill
32 would make small businesses in those municipalities ineligible
33 under the new program and would permit small businesses in all
34 remaining municipalities, primarily suburban and rural areas of the
35 State, the same opportunity for essential small business relief from
36 the CARES Act.

37 Under the bill, the DCA would be required to: (1) accept
38 applications for program assistance from suburban and rural small
39 businesses no later than 30 days after the bill’s enactment; and (2)
40 disburse assistance on a first come, first served basis, not to exceed
41 \$10,000 per grant to eligible suburban and rural small businesses no
42 later than 60 days after the bill’s enactment.